Theory of Transformational Leadership towards Employee Performance as Sequence of Supply Chain Model: The Mediating Effect of Job Autonomy in Palestine Banks during COVID-19 Pandemic

Tamer M. Alkadash, Qais Almaamari, Mujeeb Saif Al-Absy, Valliappan Raju

Gulf University – Bahrain
Limkokwing University of Creative Technology, Malaysia

Abstract—This research aims to establish the relationship between transformational leadership and employee performance among staff in Palestine banks similar to any Supply Chain Management model, literature to describe the transformational leadership with the relationship with employee performance and job autonomy. The study tool-type quantitative research via questionnaire method was utilized to collect the data from respondents, structural equation modelling using SPSS V20 run to test the research hypothesis. The result indicates that the positive relationship between transformational leadership and employee performance among employees in the bank sector, Job autonomy also has a partial mediate on the relationship between transformational leadership and employee performance. This study 's greatest drawback is its low sample size. This enabled the authors to bring Supply Chain model. Despite this, the results cannot be generalized to the entire high-bank population; the size of the data set used also restricted the study's scope. The sample (N=311) was made up. The main findings were related to confirming the two main hypotheses of the research that were related to testing if there were relationships between transformational leadership and employee performance via job autonomy as a mediator, the study may help the management of banks to develop an understanding of the value of transformational leadership that would enhance employee performance. The study explores the important issue and calls for more research in this domain. The paper adds value between transition leadership, employee productivity, and work flexibility to the organization's small knowledge base. The results presented in this paper would aid Palestinian academics, leadership experts, supply chain management professionals and organizational scientists in improving the efficiency of employees there through transformative leadership. Mediation research was carried out using special statistical methods.

Keywords: Transformation leadership, Supply Chain Model, Leadership, Employee performance, Performance

1. Introduction

Today’s corporate world is full of challenges and competition, and most organizations are facing a lot of threats and hurdles [1]. When companies look for empowered workers, leadership is a common research subject and has a significant role to play in organizational performance, transformation, and modernization. Leadership was addressed using various approaches; however, scholars continued to concentrate primarily on Bass's leadership theory (1985), a full-range theory spanning forms of transformation, transactional, and laissez-faire.

According to [2]Developing leadership skills is a crucial aspect in the success of an organization in the corporate realm, thus Leaders with the ability to craft a transforming vision and effectively express it as an idealized picture of the future of the organization, gaining the commitment of their followers, as well as the support of all key players to their vision, are transformational leaders One word for transformational leadership is renewal. The goal is to give a new lease of life to the company[3]. Transformational leadership can be defined as a process that changes individuals and transforms them through an exceptional type of influence that pushes followers to accomplish more than is typically expected. In the modern age, transformational leadership has been of great interest to many researchers, and embracing transformational leadership actions allows the company to thrive. Transformational leadership takes evolution and strategic thinking into account [4]. While the process of organizational change will occur more quickly than other
forms of leadership. Few further explains that transformative leadership facilitates the development of value system congruence between leader and followers, thus promoting the situation under which leaders and followers inspire each other to achieve the organizational objectives. A leader is someone who makes an effort to set the course and motivate people to follow that path. You must have the skills to develop, lead, and facilitate a project team. Leader help is another term concerning transformative leadership. According to [5] supporting actions by members requires support for projects and relationships. The role of leaders must be assured of the adequacy of the tools required to carry out jobs, while the support of ties focuses on a leader's concern for its employees' socio-emotional needs. In recent research, the impact of support from general leaders on the rates of innovation for supporters is investigated. These studies were mainly concerned with leadership support, instead of the purpose of promoting leadership. The relation between leadership behaviour, such as change management and creativity, has recently begun research[6]. Yet it has received conflicting results. The combined effects of transition leadership and the essence of leadership support on supporting the quality of success of employees have been notably absent from the research focus. Since change management provides incentives for employee vision and leading support provides adequate resources and tackles socio-emotional problems, both could be assumed to have common consequences. In other words, an interactive effect will result in the ingenuity of employees being at their highest level when both variables are present.

Transformational leaders perform through collectivism and build synergy among followers so that they successfully influence one another to assimilate transforming change that is based on trust and teamwork. According to [7] said Leaders with the ability to craft a transformative vision and presenting it effectively as an idealized image of the organization's future, gaining the attention of its followers and supporting all key players in their dream, are transformative leaders.

The present study investigates the influence of transformational leadership on employee performance through the mediating effect of job autonomy in Palestine banks.

RQ1. Does the transformational leadership influence employee performance?

RQ2. Can the job autonomy be a mediator between transformational leadership and employee performance?

2. Literature Review:

2.1 Supply Chain Model:

The following key principles of Supply Chain Management are laid on Leadership styles. To identify the strengths of team and delegating appropriate tasks depicts the skill of respective leader[8]. Along with this skill, if one possesses strategy orientation, social responsibility, analytics and global perspective then it would be wiser for leaders to become efficient leaders. It has to be noted that Supply Chain leaders respond quicker compared to other industry leaders. This enabled the authors to choose Supply Chain model as ground model to build employee performance.

2.2 Transformational Leadership Theory

As an alternative to the contingency theory, the authors [9] introduced the model of transformational leadership, which was incorporated into the theoretical construct that is known as House’s (1977) Charismatic leadership theory. This definition of theory is based on the premise that transformative leadership motivates followers beyond the expecting significance and relevance of particular and idealized objectives by increasing awareness [10]. The leader addresses higher-level needs by transcending self-interest for the good of the organization. Leaders who exhibit transformational leadership have a strong set of values and ideals and are effective in motivating followers to support a greater good over self-interest. To have an overall leading role, Bass introduced a strong formal theory, models, and analyses of his behavioural factors[11]. Bass further developed his theory of transformational leadership through his research, showing that transformational leadership requires the creation of highly efficient relationships. In short, the philosophy of transformational leadership emphasizes character and communication skills. Transformation leaders demonstrate four competencies, known as four Is: ideal influence, positive motivation, intellectual stimulation, and personal focus, as they are growing followers to the highest levels of personal and professional growth [12].

The engineered effect is split into two parts: idealized features and idealized behaviours. The qualities of loyalty,
confidence, and belief are idealized. Therefore, transformational leaders have the following effects on followers: (a) impose a sense of dignity on their partners, (b) surpass their community expectations for change, (c) behave in ways that create respect from others, and (d) show a sense of leadership and knowledge when making personal sacrifices for the good of others.

To the common good, transformation leaders transcend their self-interest[13]. The leader receives trust, imitation of the behaviour of the leader, acceptance of the principles of the leader, and determination to achieve the vision of the leader. Trust is the pillar of integrity and dedication. The potential of an organization to solve issues and leadership skills is seriously impaired without. The word change brings ideas of change, especially positive change. There is a question: What does this transition bring? Leadership for change includes charisma, intellectual stimulation for and with leaders, and the potential for growth Downton coined the word "transformational leading in 1973, but it had the theoretical origins in political sociologist leading according to [14]). Also James with his folks [15] claimed Transformational style increase follower’s motivation to perform beyond expectations more than transactional leaders, but effective leaders use a combination of both types of leadership. When transformational leadership exists, followers feel trust, admiration, and necessary loyalty and respect for their leader. This, in turn, motivates them to do more than they are expected to do. Transformational leaders motivate their followers in three ways: (a) inducing them to transcend their self-interest for the sake of the organization, (b) making them aware of the value of task outcomes, and (c) activating their higher-order needs.

The full-range leadership spectrum consists of several factors as follows:

Usually, Four key components of transformational leadership: (1) positive motivation; (2) idealized influence; (3) individualized consideration; and (4) intellectual stimulation[16]. The ability to communicate effectively and efficiently encourages employees to accomplish crucial business goals is empowering motivation. When speaking about the future, transformational leaders are viewed as optimistic and ambitious, which strengthens and increases their followers’ enthusiasm. Idealized Influence: Charisma describes leaders who act as strong role models for their followers and make them want to follow their vision[17]. The leader’s ability to build trust is an essential factor in minimizing resistance to change in the organization[15]. Without this acceptance of change, any effort to develop the organization will be fruitless. Charismatic leadership is an important part of transformative leadership and idealized power requires idealized traits and idealized behaviours. Charismatic leadership refers to those individuals who, in their personality desire to influence, in their behaviour show competence and who earn the affection of their followers with unquestioning acceptance.

Inspirational Motivational: These leaders articulate high expectations and use emotional appeal to secure follower engagement and commitment to the organizational shared vision[18]. Expressing strong confidence is the essence of motivation that stimulates followers’ engagement and commitment, and creates a shared insight for them to achieve organizational aims. Inspirational motivation consists of optimistically speaking about the future with hope and confidence and enthusiastically speaking about what needs to be done in an uplifting spirit. It encompasses expressing an attractive perspective of the future that is appealing to all while stating confidence in the fact that the aims will be met and resolved. Inspirational leaders can draw an exciting picture of what should be considered collectively, and they take up challenging problems.

Intellectual Stimulation: This form of leadership Challenges followers to build new ways of solving the problems of an enterprise by re-investigating and challenging simple premises in a double-loop learning cycle.

Such leaders are looking innovatively for new viewpoints while addressing problems and encourage us to look at the issue from various perspectives by promoting non-traditional thinking to solve conventional problems.

Individualized Consideration: These leaders provide empowering environments in which they pay attention to the subordinates’ needs, and assign meaningful projects to help followers grow personally[19]. They pay attention to the needs of individuals and treat them as people with specific needs, talents, aspirations, and desires. They help others to improve and increase their skills, listen to the needs and concerns of others, and develop personality and promote the growth of people.

Besides, Lee, Cheng, Yeung, and Lai studied the relationships between transformation leadership, team success, and quality of service in retail banks, and their findings indicate that only intellectual stimulation is significantly linked to team leader job satisfaction among different dimensions of transformation leadership[20].

2.2 Job autonomy

Staff tends to make effective use of their knowledge, skills, and experience and work more effectively when they are granted autonomy. Research currently shows that self-employment has a positive impact on employee performance. The theory of self-efficacy provides some insight into the moderating role of work autonomy in the relationship between the company, the employee, and the
extra-role performance. Research shows that a self-employed working environment will demonstrate ERB by A happier employee has better chances of doing well and remains with the company for longer. This decreases turnover rates and ensures essential expertise and skills are retained by the company. Autonomy is one of the main factors that contribute to the happiness of the workers and a positive sense of identity for the business and leader.

2.3 Transformational Leadership and Employee Performance

One of the most promising facets of transition leadership at the time of its emergence was its hypothesized connection to employee success. Nearly three decades of transformation leadership research have established this hypothesis, and several more recent meta-analyses have provided strong evidence that followers of transformation leaders demonstrate high success levels. Nevertheless, along with the abundance of research on this subject, there has come a desire to know why transformation leaders bring higher levels of success. Although there are numerous theories on how to transition leaders in the literature invoke their followers' above-average performance, there are some commonalities[21]. Such recent studies have primarily focused on the idea that transformational leaders will increase their followers' level of commitment by igniting positive change within them. Many scholars argue that transformational leaders raise the sense of self-worth of their followers by treating each follower as an individual (individualized consideration) and presenting their work as significant (intellectual stimulation). The main motivator that serves to commit the follower to a particular performance goal is this sense of self-worth that transformational leaders cultivate. Further, [22] find, through optimistic (encouraging) appeals and clear communication of fulfilling goals, that leaders of transformation increase the motivation and self-efficacy of their followers. Contributing behaviours like this set organizational standards that encourage the efforts of followers, attitudes towards accomplishment, and the achievement of goals, contributing to a culture of employee empowerment.

In previous research in change leadership, the following success stories centred on a wide variety of tasks, known as position performance in addressing core tasks, not as much as performance in an individual job, which over time does not incorporate diversity. This distinction is important because the success of the supporters can well be improved according to how their leader approaches the job. The hypothesis that transformational leaders influence their followers to achieve outstanding performance thus seems to be justified, but it is much less clear that these leaders will influence their followers successfully to achieve an outstanding success on their day-to-day tasks. [23] regret the fact that work on leadership, which focuses on everyday experiences, indicates that these discursive moments between the leader and the follower promote leadership [15]. This part show there is a positive relationship between transformational leadership and employee performance in Palestine.

Hypothesis1: There is a positive relationship between transformational leadership and employee performance

2.4 Transformational Leadership, Job Autonomy, and employee performance

Each organization's leaders play a significant role in maintaining self-esteem and self-sufficiency for its staff. Typically, as workers obtain support and direction, they are more mindful of their authority and competence concerning the success and outcome of a mission, and therefore gain an increased degree of autonomy. If employees are emotionally inspired, they accept organizational values and guidelines feel free to take decisions, and be valued for their research, and believe in freedom and democracy[24]. Job autonomy is an employment-related tool referring to "the degree to which the job gives the worker considerable freedom, independence and flexibility in scheduling work and in deciding the procedures to be used in carrying out it. As a feature of the core work, autonomy makes people feel responsible for successes and setbacks. When followers have a high degree of autonomy, they prefer to assume that job outcomes are the product of their actions, not the orders provided by the leader or adherence to uniform laws.

To this respect, autonomy gives followers more joy and inspiration as they continue to develop as individuals. Higher levels of autonomy can be achieved by empowering followers to grow and improve in their roles and offering incentives for self-guidance. If leadership is considered a way of shaping an individual's attitudes and behaviour, transformation leaders can be believed to have been trained to give followers greater influence so that they can become their leaders. Nevertheless, longitudinal studies have demonstrated this causal relation between transition leadership and autonomy. Likewise, work-related opportunities have shown a positive impact on individual development and learning processes through intrinsic motivation. Job autonomy allows workers to achieve their goals, thus increasing satisfaction in their jobs, which generates a degree of commitment to jobs (Hackman & Oldham, 1980). However, there have been a few more studies suggesting positive connections between job autonomy and the commitment to work. However, Bass's theory of transformational leadership is a type of leadership in which the leader changes the fundamental principles, beliefs, and behaviours of the followers, motivating them to display greater success and even surpass their standards[25]. The transformation leadership style focuses on having workers engaged more in achieving their organizational.
The style of the transition attracts more and reflects on the positive power of the leadership. Particularly critical in the creation of job-related capability are leadership elements such as decision-taking on schedule and execution, the assessment of results, encouragement from the communities, and freedom to exercise etc. These devices also have a positive impact on workers' engagement[26]. Based on the above proof the second hypothesis of the analysis has been formulated accordingly:

**Hypothesis 2.** Job autonomy has a mediator role in the relationship between transformational leadership and employee performance.

Figure 1 illustrates the theoretical model of transformational leadership, job autonomy, and employee performance.

### 3. Research Methodology:

#### 3.1 Participants and procedures

The present analysis uses data from the Palestinian banks obtained from workers and their supervisors. The questionnaires were initially written in English. Until transmitting them to respondents, two separate language users translated them into Arabic using the back-translation technique to ensure that the translations converged. Research instruments have been developed once again translated into English after the answers were obtained. The two language experts validate the survey to make sure the translation was compatible. Investigators have approached the respective organization's HR heads and have taken the requisite official approval to carry out the survey[27]. The purpose of the study was briefly explained to the respondents who made it possible for them to take part in the survey correctly. Before it was issued to workers in various banks, the pilot examined the survey instruments and made the changes required. In two different rounds, one month the questionnaire was circulated by one of the researchers. The 7th participating banks received a total of 360 completed questionnaires. 311 questionnaires were the basis for the testing of our hypotheses following data cleaning and the removal of incomplete questionnaires. Data in Table I, which summarizes some of the characteristics of the sample

#### 3.2 Measurements

**Transformational leadership.** The 16-point scale (1, = strongly disagree, 7 = very strongly agree) of transformational leadership actions was calculated. They presented a suitable model, defined and expressed a vision, encouraged group goals, high-performance expectations, individualized support, and intellectual stimulation. Some of the sampled things were "enthusiastic conversations about the future, "sets a good example to pursue others" and "shows concern for myself as an individual." Because transformational leadership dimensions are very closely related, we have merged six transformative management index actions into one composite one. The transformational leadership of the Cronbach was 0.92.

**Employee Performance:** Were measured by 10 items Used 5 Likert scale developed by few eminent scholars and modify to use in Palestinian environment (example, “I feel satisfied with the availability of knowledge for my tasks, I feel satisfied with the management of knowledge I need). Cronbach’s alpha of the overall scale was 0.79.

**Job autonomy:** Job autonomy was evaluated by Scholars. Use a 21-point questionnaire autonomy subscale that tests three intrinsic employee needs (autonomy, competence, and association) to their job. The subscale for autonomy consists of seven components (e.g., “I want to make a lot of decisions about how my job is done,” etc). The average Cronbach alpha was 0.88.

The findings on the association in the findings shown in Table II are consistent with the goals of the analysis. The findings show that all three (transformation leadership, job autonomy, and employee performance) are positively linked.

**Mediation analysis**

Should be substantial as shown in figure 2. The results indicate that Path A validates the relationship between the predictor and the criterion. Path B sets the correlation between the indicator (transformational leadership) and the mediator suggested, work autonomy (Path B). Path C predicts the relationship between the mediator (job autonomy) and the criterion, the output of employees (Path C), Path Adash: The fourth and final stage offers an impact on the criterion (employee performance) through the mediating effect of the predictor (transformational leadership). Bootstrapped for the indirect effect was obtained using the procedures defined by Preacher and Hayes to understand the impact of job autonomy (mediator) between the transformational leadership relationship and employee performance. The results are discussed in detail in Table III.
Baron and Kenny's sterilization tall in gesture studied the presence of mediation was critical in various factors: first, a strong overall correlation between the predictor and variable outcome (i.e. a significant Path A); significant Paths B and C; and a significant indirect impact using the (28)) test or a specific process. The choice of whether to label the outcome as a partial or full mediation depends on whether Path C. The path to the criterion (study job autonomy) is statistically relevant, from the predictor (transformational leadership). If Adash is not statistical, the result can be interpreted as complete mediation, and if Adash is statistical significance, only partial mediation can occur [29]. The regression of transformational leadership on employee performance was important in Step 1 of the mediation model (Path A), ignoring the mediator (job autonomy), b=0.49 p.0.001 (H1 is confirmed). Phase 2 showed even substantial work autonomy (mediator) regression of transition leadership, b=0.63, p0.001 (H2 is supported). Step 3 of the mediation cycle showed that the mediator (employment autonomy), regulating on employee performance for transition leadership, was important, b=0.20, p0.001 (H3 is confirmed). Step 4 of the study showed this, accounting for the mediator (job autonomy),

4. Data analysis and Result

The data were analysed using version SPSS 20.0. The results are shown in Table I display the survey features for all respondents

<table>
<thead>
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<th>Sample characteristics</th>
<th>Sample</th>
<th>Frequency %</th>
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<td></td>
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<tr>
<td>Name of Bank</td>
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<table>
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<tbody>
<tr>
<td>Male</td>
<td>235</td>
<td>75.5</td>
</tr>
<tr>
<td>Female</td>
<td>76</td>
<td>40.5</td>
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<table>
<thead>
<tr>
<th>Age</th>
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<tbody>
<tr>
<td>25 - 30 yrs</td>
<td>93</td>
<td>29.9</td>
</tr>
<tr>
<td>31 - 40 yrs</td>
<td>86</td>
<td>27.6</td>
</tr>
<tr>
<td>41 - 50 yrs</td>
<td>79</td>
<td>25.4</td>
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<tr>
<td>More than 50 yrs</td>
<td>54</td>
<td>17.3</td>
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<tr>
<td>Bachelor</td>
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<tr>
<td>Postgraduate</td>
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<td>36.6</td>
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<tr>
<td>Other</td>
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<table>
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<th>Working Experience</th>
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<td>Less than 5 yrs</td>
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</tr>
<tr>
<td>5 - 15 yrs</td>
<td>103</td>
<td>33.1</td>
</tr>
<tr>
<td>16 - 25 yrs</td>
<td>107</td>
<td>34.4</td>
</tr>
<tr>
<td>More than 25 yrs</td>
<td>29</td>
<td>9.3</td>
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</table>

Also, transformational leadership was a significant employee performance measure, b=0.30, p0.001. A study was performed in support of the mediation model and considered important at CR=4.79, p=0.001. Table III displays the model’s overall, direct, and indirect impacts.

The relationship between transformational leadership and employee efficiency was partly influenced by work autonomy (as important is Path Adash). But it supports H4.

5. Research Limitation

Many weaknesses were found as the research progressed. This section summarizes the study's principal limitations. The main drawback of this analysis is its low sample size. Because of this, the results cannot be generalized to the entire high-bank population, the size of the data set used also restricted the study's analyses. It was composed of the sample (N=311). This limited number of leaders restricted the number of statistical techniques that could be used to
check the results. Factor analyses were not feasible because of the limited sample size.

On the other hand, this analysis included only one Mediator. The fact that this study was performed in Palestinian banks merely imposes another constraint on the inferences that can be drawn from it. Due to cultural differences, the same research conducted in another country may produce different results. Therefore, we should also encourage researchers to study leading behaviour among different high schools in other countries.

5.1 Recommendations & future research

The study analysed the relationships between transformational leadership and employee performance via job autonomy in Palestine banks. Further work is required to provide a more detailed perspective of these relationships. The study’s limitations help decide most of the work that can be carried out in the future. The model should include transactional leadership, and their relationships to the congruence of leader-follower interest and leadership performance should be discussed in future research. Also, it should be examined if such external factors affect the degree to which followers align their beliefs with their leader [30]. Trust and the length of the relationship will have an effect on value congruence need to be included as variables. Therefore, future studies will study how confidence and tenure in the relationship between leader and follower mediate the relationship between leadership and congruence of interest between leader and follower. Future studies will also explore how certain types of leadership affect the congruence of leader-follower principles in different fields. Charismatic leadership and servant leadership should be discussed concerning congruence of the importance of the leader-follower and performance in leadership. It may be that the charismatic leadership essence attracts followers to the ideals of the leaders. However, how the servant leaders put their followers’ interests above their own will motivate followers to become more like the servant leader and embrace their values. Future research should also compare the effect of Westernized leadership as compared to Palestinian leadership on value congruence and leadership performance need to be applied to other research. Future studies will investigate the relationship between transformational leadership and worker success using role-member contact as a mediator.

References


[14] S. U. A. Rana and V. Raju, “Social and economic impacts of the various elements that contribute to women glass ceiling in higher education and


